

CITY OF NEEDLES, CALIFORNIA



CALIFORNIA SUSTAINABLE FREIGHT ACTION PLAN PILOT PROJECT SUBMITTAL (EO B-32-15)

November 24, 2015



Presented by:

Mayor Edward Paget, M.D.
Mr. Rick Daniels, City Manager
817 Third Street
Needles, CA 92363
(760) 326-2117 x313
ndlscitymgr@citlink.net



CITY OF NEEDLES

817 Third Street • Needles, California 92363
(760) 326-2113 • FAX (760) 326-6765

*Mayor Edward T. Paget, M.D.
Vice Mayor Jeff Williams
Councilmember Tom Darcy
Councilmember Louise Evans
Councilmember Tony Frazier
Councilmember Shawn Gudmundson
Councilmember Robert Richardson, M.D.
City Manager Rick Daniels*

November 18, 2015

Ms. Mary D. Nichols, Board Chair
California Air Resources Board (ARB)
Box 2815
Sacramento, CA 95812
(916) 322-5840
mnichols@arb.ca.gov

**RE: CALIFORNIA SUSTAINABLE FREIGHT ACTION PLAN: PILOT PROJECT SUBMITTAL
(NEEDLES, CALIFORNIA)**

Dear Chairwoman Nichols:

The purpose of this letter and accompanying submittal is to present to you Project CLEAN (Clean Logistics Economically Advancing Needles). Project CLEAN is a switch-yard & bump station to be located in Needles, California along Interstate 40 providing an opportunity for logistic/goods movement companies to utilize the most technologically advanced equipment alternative fuel equipment available. Physically, Project CLEAN is a 28 acre fueling, maintenance and vehicle parking/storage facility whereby transportation companies will switch out-of-state compliant "tractors" for zero-emission California compliant equipment. The facility will also offer appropriate services for transportation personnel to engage in rest periods as required under state or federal law.

2013 CALTRANS AADT states that the average AADT in Needles, CA is 13,900 per day with 46% being trucks (6,389). Of that number, some 87% or 5,563 trucks per day have 5+ axles. These vehicles are the target of Project CLEAN.

Project CLEAN provides the opportunity for both currently available and new fuel technologies to be made available to the trucking industry at the point of entry into California from Arizona (along Interstate 40). It also provides an economic opportunity for the community in the form of economic investment and job creation to staff the facility. At the same time, the location of the pilot project helps keep California competitive as I-40 is a direct feed to the Ontario/Mira Loma distribution hub (Western Riverside and San Bernardino Counties).

We look forward to your review of our project proposal (attached) and further communication. Needles and the gateway our community provides to California and the logistics/goods movement industry is a perfect place to implement a pilot project under Governor Brown's Executive Order B-32-15. Please have your team contact our City Manager, Mr. Rick Daniels at (760) 326-2113 x326.

Sincerely,

Mayor Edward Paget, M.D.
City of Needles, California

enc: California Sustainable Freight Action Plan: Pilot Project Proposal CLEAN (Needles, CA)

CALIFORNIA SUSTAINABLE FREIGHT ACTION PLAN: PILOT PROJECT PRESENTATION

Project CLEAN (Clean Logistics Economically Advancing Needsles)

City of Needles, California Clean-Transportation Switch-Yard

1.Applicant Name/Contact:

Mayor Edward Paget, M.D.
Mr. Rick Daniels, City Manager
817 Third Street
Needles, CA 92363
(760) 326-2117 x313
ndlscitymgr@citlink.net

2. Project Name:

CLEAN (Clean Logistics Economically Advancing Needsles)

3. Location of Project:

The project shall be located in Needles, California on Assessor's Parcel Number 0186-222-07 which is located off of Interstate-40 and Broadway Street with access directly off Ice-Plant Road

4. Concise two paragraph executive summary of the project

Project CLEAN is a switch-yard & bump station to be located in Needles, California along Interstate 40 providing an opportunity for logistic/goods movement companies to utilize the most technologically advanced equipment alternative fuel equipment available. Physically, Project CLEAN is a 28 acre fueling, maintenance and vehicle parking/storage facility whereby transportation companies will switch out-of-state compliant "tractors" for zero-emission California compliant equipment. The facility will also offer appropriate services for transportation personnel to engage in rest periods as required under state or federal law.

Project CLEAN is a pilot project that can be replicated at state/international border communities throughout California along major highways (I-5, I-8, I-10, I-15, I-80, I-98) to other border communities across the State of California (including San Ysidro, Calexico, Winterhaven/Yuma, Blythe, Stateline, and Weed).

5. Detailed description of how the pilot project idea components will incorporate advanced technologies, alternative fuels, freight and fuel infrastructure and location economic development; and advance goals of improving freight efficiency, transitioning to zero-emission technologies and increasing competitiveness of California's freight system.

California is setting both national and world standards relative to clean air. Mobile sources are still prolific in the production of airborne contaminants. At the same time the logistics/goods movement industry is vital to California's economy. It is incumbent upon political and community leaders to generate ways for which the logistics/goods movement industry to prosper while continuing efforts to provide clean air for all Californian's. Project CLEAN (Clean Logistics Economically Advancing Needles)_will provide a key component in this endeavor. Further, the success of the Project CLEAN will translate to other border communities across the State of California (including San Ysidro, Calexico, Winterhaven/Yuma, Blythe, Stateline and others).

Needles Project CLEAN will provide a facility whereby tractors (hauling trailers) can be "switched-out" utilizing zero polluting technology tractors (those that run on Compressed Natural Gas (CNG), electricity, hydrogen or to be generated forms of alternative energy).

Project CLEAN will be built on 28 acres of land previously owned by the City of Needles Redevelopment Agency (currently held by the Successor Agency to the City of Needles Redevelopment Agency). Under ABx1 26 and AB 1484, the legislative intent of former redevelopment is to utilize lands for economic development purposes in such a way that they benefit both the community and the underlying tax sharing agencies. This parcel of land is the ONLY parcel in Needles held by the Successor Agency. It is located immediately adjacent to Interstate 40 on the north side of the road. It is accessed from a direct interchange onto Broadway and Ice Plant Road. Visibility and access provide a unique opportunity.

2013 CALTRANS AADT states that the average AADT in Needles, CA is 13,900 per day with 46% being trucks (6,389). Of that number, some 87% or 5,563 trucks per day have 5+ axles. These vehicles are the target of Project CLEAN. Below are the total estimated emissions of 5+ axle trucks traveling on Interstate 40 at the project site (known by CALTRANS as I-40 & Southbound I-95) as well as the estimated current emissions (based on available data from the EPA in regards to emissions per mile).

Exhibit A: Traffic and Air Quality Calculations

Logistic/Goods Movement Emissions Calculations Needles, CA to Ontario CA

| | Grams/Mile | AADT- Trucks* | One- Way Miles | Grams Emissions/Day | Pounds Emissions/Day | Tons/Year |
|-----------|-------------------|--------------------------|-------------------------------|--------------------------------|---------------------------------|------------------|
| VOC | 0.545 | 5,563 | 221 | 670,035.54 | 1,477.18 | 269.59 |
| CO | 3.109 | 5,563 | 221 | 3,822,276.11 | 8,426.72 | 1,537.88 |
| NOx | 10.99 | 5,563 | 221 | 13,511,358.77 | 29,787.60 | 5,436.24 |
| PM 2.5 | 0.238 | 5,563 | 221 | 292,602.67 | 645.08 | 117.73 |
| PM 10 | 0.259 | 5,563 | 221 | 318,420.56 | 11.91 | 2.17 |

Source: 2008 EPA, 2013 CALTRANS, Google Maps

*AADT all trucks is 6,389, AADT of 5+ axle trucks 5,563 (5+ axle used)

Project CLEAN provides the opportunity for both currently available and new fuel technologies to be made available to the trucking industry at the point of entry into California from Arizona (along Interstate 40). It also provides an economic opportunity for the community in the form of economic investment and job creation to staff the facility. At the same time, the location of the pilot project helps keep California competitive as I-40 is a direct feed to the Ontario/Mira Loma distribution hub (Western Riverside and San Bernardino Counties).

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6. Estimated Cost for Implementation and Existing Funding Commitments by Stakeholder and Amount

| | |
|---|--------------------------|
| Land Value*: | \$1,200,000 (\$1.00 psf) |
| Infrastructure (water, wastewater and electricity): | \$ 500,000 |
| Road Improvements to Facility (re-cap of Ice Plant Road: | \$ 250,000 |
| Surface Treatment (Paving) of Facility: | \$2,400,000 (\$2.00 psf) |
| Administrative Center: | \$ 500,000 |
| Maintenance Facilities: | \$ 750,000 |
| LNG/CNG Fueling**: | \$2,500,000 |
| Electric Charging**: | \$ 500,000 |
| Project Management/Administration: (10% of total project cost) | \$ 860,000 |

Total Project Costs (including land): ***\$9,460,000***

Total Project Costs (net of land contribution): ***\$8,260,000***

*Land Cost would be contributed by City of Needles / Successor Agency to the Needles Redevelopment Agency reducing the pilot project costs to \$8,260,000.

**Some portion of CNG/Electric Fueling Station costs expected to be offset by fuel provider(s)

7. Timeline

January, 2016: Regional Workshops for Review/Proof of Concept

July 1, 2016: Award of Grant

November 1, 2016: Engineering/Construction Designs Completed

January 1, 2017: Award of Construction Contract, beginning of Construction

July 1, 2017: Project CLEAN Facility Operational

8. Means of Measuring Progress toward Meeting Goals over Time

Success of project is based on reduction of diesel fuel emissions from trucks entering California.

Measurement is based on:

- A. Number of total truck tractors switched out
- B. Total miles driven by truck tractors in California that originated at Project CLEAN
- C. Emission reduction(s) calculated by total miles driven by truck tractors in California that originated at Project CLEAN

9. Description of the potential roles of each of the interagency partners could provide to support the project's implementation

A. City of Needles, California, shall serve as project lead for entitlement(s), permitting, project management including the bid process.

B. County of San Bernardino, California, shall be requested to assist in project management.

C. California Department of Transportation (CALTRANS) shall be requested to provide appropriate entitlements/permits at the off-ramp of Broadway from I-40 West into Needles, CA as well as assess if any improvements to the off-ramp/on-ramp system need to be made to accommodate additional traffic.

D. San Bernardino Associated Governments (SANBAG) shall be requested to assist in the identification of potential alternative fuel providers and advise on the bid process to determine the selected vendor as well as potential cost recovery systems.

E. Southern California Association of Governments (SCAG), Regional MPO (Metropolitan Planning Organization), we have already informally introduced the project to leadership and have received commitments regarding their desire to provide technical assistance relative to modeling for transportation planning purposes.

F. California Air Resources Board, shall be asked to insure that a legislative/regulatory “halo” in place allowing for the “switching” of conventional fuel (diesel) tractors to alternative fuel ones at the proposed location is within CARB and State Regulations. Additionally, we will ask CARB to have a representative on the project team so that the replicability of the project is easily transferred to other State of California “border communities”.

G. South Coast Air Quality Management District, as with MAQCD, will be asked to provide project input (design and implementation) so that the air quality goals are achieved. We will ask both Air Districts to participate in formal modeling of results (truck mileage/pollution statistics).

H. Mojave Air Quality Control District, as with SCAQMD, will be asked to provide project input (design and implementation) so that the air quality goals are achieved. We will ask both Air Districts to participate in formal modeling of results (truck mileage/pollution statistics).

Conclusion Statement:

Over 60% of Southern California's labor force is considered "blue collar". Logistics/Goods Movement provides a stable source of income for working families. At that same time, California is working to be a world-leader relative to clean air and alternative fuel technologies. A switch-yard/bump-station provides the opportunity for California to maintain current logistics jobs and be the beneficiary of required vehicle switching, rather than providing that economic opportunity to surrounding states (and or the nation of Mexico).

The City of Needles has the land, available infrastructure and location for which to host a switch-yard/bump station. We appreciate the consideration of the State of California to move our pilot project forward for funding.